



Victory Capital to Acquire RS Investments

December 18, 2015

*Planned Acquisition Expands
Multi-Boutique Business Model*

Cleveland, OH, December 18, 2015 – Victory Capital and RS Investments™ (“RS”) today announced that Victory Capital has entered into a definitive purchase agreement to acquire RS from The Guardian Life Insurance Company of America® (“Guardian”) and the investment professionals and employees of RS. RS’s experienced investment teams, specializing in U.S. and global/international equities, will serve as a strong complement to Victory Capital’s existing investment franchises and expand the firm’s multi-boutique business model. Following the all-cash purchase, Victory Capital is projected to have approximately \$54 billion in assets under management and advisement and a diverse product platform that includes a broad range of mutual funds, ETFs and separately managed institutional accounts.

RS, which is headquartered in San Francisco, employs a research-driven actively managed approach with separate and distinct teams focused on specific asset classes. Victory Capital’s business model will enable the teams to remain autonomous and continue to employ their existing investment processes. RS, which was founded in 1986, has developed a strong reputation for delivering better client outcomes through a careful blend of risk management and deep research, principles that will remain in place in the future.

“We believe our clients are best served by autonomous investment franchises and RS shares our deep commitment to independent investment decision making,” said David Brown, Chairman and Chief Executive Officer of Victory Capital. “Our goal is to bring on exceptional investment talent and provide those professionals with best-in-class distribution, operational, and technology support. We are confident that RS’s culture and strategy complement ours.”

“I’m pleased that Victory Capital recognizes the inherent value and potential of our firm,” said Matthew Scanlan, Chief Executive Officer of RS Investments. “Their multi-boutique structure is ideally suited for us, and they have the ability to help take RS to the next level. We believe this transaction offers an exciting future for our team and for our clients.”

“Victory Capital has a strong track record of bringing on experienced investment teams and providing them with the right infrastructure and environment to maintain their independence and deliver compelling risk-adjusted returns to their clients,” said Scott Tracy, Portfolio Manager for the RS Growth Team. “We think it’s an outstanding cultural fit for RS and a smart choice for our investors.”

Victory Capital and RS are both committed to meaningful employee ownership as a means to ensure alignment with current and future clients. Senior management, investment leadership and employees at both firms will continue to be material equity investors following the acquisition.

Mr. Brown will continue to serve as Chairman and Chief Executive Officer following completion of the acquisition. There will be no changes to the Board of Directors of Victory Capital Holdings, Inc.

The transaction, which is expected to close by the end of the second quarter of 2016, is subject to regulatory and other customary approvals, conditions and consents, including approvals by the shareholders and boards of trustees of the RS-advised mutual funds and the boards of trustees of the Victory Funds.

About Victory Capital

Victory Capital is a multi-boutique asset management firm, headquartered in Cleveland, Ohio. As of November 30, 2015, the firm had approximately \$34.8 billion in assets under management and advisement.

Victory Capital is comprised of nine autonomous investment franchises, each with an independent culture and investment approach. The franchises are supported by a robust distribution and operational platform, allowing them to focus solely on investment management.

Victory Capital provides investment advisory services to institutional clients including corporations, non-profits, public funds, Taft-Hartley and sub-advisory clients through separate accounts and commingled funds. Through its intermediary channel, Victory Capital also offers retail and retirement clients mutual funds and ETFs as well as separately managed accounts through wrap fee programs and access to its investment models through unified managed accounts. For more information, please visit www.vcm.com.

About RS Investments

RS Investments offers investment management solutions for institutional and individual investors and the advisors who serve them. The firm's specialized investment platform supports distinct investment teams, each utilizing disciplined and repeatable investment processes to deliver research-driven value, growth and alternative strategies in U.S. and global equity markets, as well as strategies in global natural resources¹ and fixed income². As of November 30, 2015, RS Investments managed approximately \$18.9 billion on behalf of its clients. The firm was founded in 1986 and is headquartered in San Francisco, California, with principal offices in Des Moines, Iowa, Villanova, Pennsylvania, Hong Kong and Singapore. For more information, please visit www.rsinvestments.com.